

AN ACT concerning public aid.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Illinois Public Aid Code is amended by changing Sections 9A-11 and 12-4.33 as follows:

(305 ILCS 5/9A-11) (from Ch. 23, par. 9A-11)

Sec. 9A-11. Child Care.

(a) The General Assembly recognizes that families with children need child care in order to work. Child care is expensive and families with low incomes, including those who are transitioning from welfare to work, often struggle to pay the costs of day care. The General Assembly understands the importance of helping low income working families become and remain self-sufficient. The General Assembly also believes that it is the responsibility of families to share in the costs of child care. It is also the preference of the General Assembly that all working poor families should be treated equally, regardless of their welfare status.

(b) To the extent resources permit, the Illinois Department shall provide child care services to parents or other relatives as defined by rule who are working or participating in employment or Department approved education or training programs. At a minimum, the Illinois Department shall cover the

following categories of families:

- (1) recipients of TANF under Article IV participating in work and training activities as specified in the personal plan for employment and self-sufficiency;
- (2) families transitioning from TANF to work;
- (3) families at risk of becoming recipients of TANF;
- (4) families with special needs as defined by rule; and
- (5) working families with very low incomes as defined by rule.

The Department shall specify by rule the conditions of eligibility, the application process, and the types, amounts, and duration of services. Eligibility for child care benefits and the amount of child care provided may vary based on family size, income, and other factors as specified by rule.

In determining income eligibility for child care benefits, the Department annually, at the beginning of each fiscal year, shall establish, by rule, one income threshold for each family size, in relation to percentage of State median income for a family of that size, that makes families with incomes below the specified threshold eligible for assistance and families with incomes above the specified threshold ineligible for assistance. The specified threshold must be no less than 50% of the then-current State median income for each family size.

In determining eligibility for assistance, the Department shall not give preference to any category of recipients or give preference to individuals based on their receipt of benefits

under this Code.

The Department shall allocate \$7,500,000 annually for a test program for families who are income-eligible for child care assistance, who are not recipients of TANF under Article IV, and who need child care assistance to participate in education and training activities. The Department shall specify by rule the conditions of eligibility for this test program.

Nothing in this Section shall be construed as conferring entitlement status to eligible families.

The Illinois Department is authorized to lower income eligibility ceilings, raise parent co-payments, create waiting lists, or take such other actions during a fiscal year as are necessary to ensure that child care benefits paid under this Article do not exceed the amounts appropriated for those child care benefits. These changes may be accomplished by emergency rule under Section 5-45 of the Illinois Administrative Procedure Act, except that the limitation on the number of emergency rules that may be adopted in a 24-month period shall not apply.

The Illinois Department may contract with other State agencies or child care organizations for the administration of child care services.

(c) Payment shall be made for child care that otherwise meets the requirements of this Section and applicable standards of State and local law and regulation, including any

requirements the Illinois Department promulgates by rule in addition to the licensure requirements promulgated by the Department of Children and Family Services and Fire Prevention and Safety requirements promulgated by the Office of the State Fire Marshal and is provided in any of the following:

(1) a child care center which is licensed or exempt from licensure pursuant to Section 2.09 of the Child Care Act of 1969;

(2) a licensed child care home or home exempt from licensing;

(3) a licensed group child care home;

(4) other types of child care, including child care provided by relatives or persons living in the same home as the child, as determined by the Illinois Department by rule.

(b-5) Solely for the purposes of coverage under the Illinois Public Labor Relations Act, child and day care home providers, including licensed and license exempt, participating in the Department's child care assistance program shall be considered to be public employees and the State of Illinois shall be considered to be their employer as of the effective date of this amendatory Act of the 94th General Assembly, but not before. The State shall engage in collective bargaining with an exclusive representative of child and day care home providers participating in the child care assistance program concerning their terms and conditions

of employment that are within the State's control. Nothing in this subsection shall be understood to limit the right of families receiving services defined in this Section to select child and day care home providers or supervise them within the limits of this Section. The State shall not be considered to be the employer of child and day care home providers for any purposes not specifically provided in this amendatory Act of the 94th General Assembly, including but not limited to, purposes of vicarious liability in tort and purposes of statutory retirement or health insurance benefits. Child and day care home providers shall not be covered by the State Employees Group Insurance Act of 1971.

In according child and day care home providers and their selected representative rights under the Illinois Public Labor Relations Act, the State intends that the State action exemption to application of federal and State antitrust laws be fully available to the extent that their activities are authorized by this amendatory Act of the 94th General Assembly.

(d) The Illinois Department shall, by rule, require co-payments for child care services by any parent, including parents whose only income is from assistance under this Code. The co-payment shall be assessed based on a sliding scale based on family income, family size, and the number of children in care. Co-payments shall not be increased due solely to a change in the methodology for counting family income.

(e) (Blank). ~~The Illinois Department shall conduct a market~~

~~rate survey based on the cost of care and other relevant factors which shall be completed by July 1, 1998.~~

(f) The Illinois Department shall, by rule, set rates to be paid for the various types of child care. Child care may be provided through one of the following methods:

(1) arranging the child care through eligible providers by use of purchase of service contracts or vouchers;

(2) arranging with other agencies and community volunteer groups for non-reimbursed child care;

(3) (blank); or

(4) adopting such other arrangements as the Department determines appropriate.

(f-5) (Blank). ~~The Illinois Department, in consultation with its Child Care and Development Advisory Council, shall develop a comprehensive plan to revise the State's rates for the various types of child care. The plan shall be completed no later than January 1, 2005 and shall include:~~

~~(1) Base reimbursement rates that are adequate to provide children receiving child care services from the Department equal access to quality child care, utilizing data from the most current market rate survey.~~

~~(2) A tiered reimbursement rate system that financially rewards providers of child care services that meet defined benchmarks of higher quality care.~~

~~(3) Consideration of revisions to existing county groupings and age classifications, utilizing data from the most current market rate survey.~~

~~(4) Consideration of special rates for certain types of care such as caring for a child with a disability.~~

(g) Families eligible for assistance under this Section shall be given the following options:

(1) receiving a child care certificate issued by the Department or a subcontractor of the Department that may be used by the parents as payment for child care and development services only; or

(2) if space is available, enrolling the child with a child care provider that has a purchase of service contract with the Department or a subcontractor of the Department for the provision of child care and development services. The Department may identify particular priority populations for whom they may request special consideration by a provider with purchase of service contracts, provided that the providers shall be permitted to maintain a balance of clients in terms of household incomes and families and children with special needs, as defined by rule.

(Source: P.A. 93-361, eff. 9-1-03; 93-1062, eff. 12-23-04; 94-320, eff. 1-1-06.)

(305 ILCS 5/12-4.33)

Sec. 12-4.33. Welfare reform research and accountability.

(a) The Illinois Department shall collect and report upon all data in connection with federally funded or assisted welfare programs as federal law may require, including, but not limited to, Section 411 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and its implementing regulations and any amendments thereto as may from time to time be enacted.

(b) In addition to and on the same schedule as the data collection required by federal law and subsection (a), the Department shall collect and report on further information with respect to the Temporary Assistance for Needy Families ("TANF") program, as follows:

(1) With respect to denials of applications for benefits, all of the same information about the family required under the federal law, plus the specific reason or reasons for denial of the application.

(2) With respect to all terminations of benefits, all of the same information as required under the federal law, plus the specific reason or reasons for the termination.

(c) The Department shall collect all of the same data as set forth in subsections (a) and (b), and report it on the same schedule, with respect to all cash assistance benefits provided to families that are not funded from the TANF program federal block grant or are not otherwise required to be included in the

data collection and reporting in subsections (a) and (b).

(d) Whether or not reports under this Section must be submitted to the federal government, they shall be considered public and they shall be promptly made available to the public at the end of each fiscal year, free of charge upon request. The data underlying the reports shall be made available to academic institutions and public policy organizations involved in the study of welfare issues or programs and redacted to conform with applicable privacy laws. The cost shall be no more than that incurred by the Department in assembling and delivering the data.

(e) (Blank). ~~The Department shall, in addition to the foregoing data collection and reporting activities, seek a university to conduct, at no cost to the Department, a longitudinal study of the implementation of TANF and related welfare reforms. The study shall select subgroups representing important sectors of the assistance population, including type of area of residence (city, suburban, small town, rural), English proficiency, level of education, literacy, work experience, number of adults in the home, number of children in the home, teen parentage, parents before and after the age of 18, and other such subgroups. For each subgroup, the study shall assemble a statistically valid sample of cases entering the TANF program at least 6 months after its implementation date and prior to July 1, 1998. The study shall continue until December 31, 2004. The Department shall report to the General~~

~~Assembly and the Governor by March 1 of each year, beginning March 1, 1999, the interim findings of the study with respect to each subgroup, and by March 1, 2005, the final findings with respect to each subgroup. The reports shall be available to the public upon request. No later than November 1, 1997, the Department, in consultation with an advisory panel of specialists in welfare policy, social science, and other relevant fields shall devise the study and identify the factors to be studied. The study shall, however, at least include the following features:~~

~~(1) Demographic breakdowns including, but not limited to, race, gender, and number of children in the household at the beginning of Department services.~~

~~(2) The Department shall obtain permission to conduct the study from the subjects of the study and guarantee their privacy according to the privacy laws. To facilitate this permission, the study may be designed to refer to subjects by pseudonyms or codes and shall in any event guarantee anonymity to the subjects without limiting access by outsiders to the data (other than identities) generated by the study.~~

~~(3) The subjects of the study shall be followed after denial or termination of assistance, to the extent feasible. The evaluator shall attempt to maintain personal contact with the subjects of the study, and employ such methods as meetings, telephone contacts, written surveys,~~

~~and computer matches with other data bases to accomplish this purpose. The intent of this feature of the study is to discover the paths people take after leaving welfare and the patterns of return to welfare, including the factors that may influence these paths and patterns.~~

~~(4) The study shall examine the influence of various employability, education, and training programs upon employment, earnings, job tenure, and cycling between welfare and work.~~

~~(5) The study shall examine the influence of various supportive services such as child care (including type and cost), transportation, and payment of initial employment expenses upon employment, earnings, job tenure, and cycling between welfare and work.~~

~~(6) The study shall examine the frequency of unplanned occurrences in subjects' lives, such as illness or injury, family member's illness or injury, car breakdown, strikes, natural disasters, evictions, loss of other sources of income, domestic violence, and crime, and their impact upon employment, earnings, job tenure, and cycling between welfare and work.~~

~~(7) The study shall examine the wages and other compensation, including health benefits and what they cost the employee, received by subjects who obtain employment, the type and characteristics of jobs, the hours and time of day of work, union status, and the relationships of such~~

~~factors to earnings, job tenure, and cycling between welfare and work.~~

~~(8) The study shall examine the reasons for subjects' job loss, the availability of Unemployment Insurance, the reasons for a subject's return to welfare, programs or services utilized by subjects in the search for another job, the characteristics of the subjects' next job, and the relationships of these factors to re-employment, earnings, job tenure on the new job, and cycling between welfare and work.~~

~~(9) The study shall examine the impact of mandatory work requirements, including the types of work activities to which the subjects were assigned, and the links between the requirements and the activities and sanctions, employment, earnings, job tenure, and cycling between welfare and work.~~

~~(10) The study shall identify all sources and amounts of reported household non wage income and examine the influence of the sources and amounts of non wage non-welfare income on employment, earnings, job tenure, and cycling between welfare and work.~~

~~(11) The study shall examine sanctions, including child support enforcement and paternity establishment sanctions, the reasons sanctions are threatened, the number threatened, the number imposed, and the reasons sanctions are not imposed or are ended, such as cooperation~~

~~achieved or good cause established.~~

~~(12) The study shall track the subjects' usage of TANF benefits over the course of the lifetime 60-month limit of TANF eligibility, including patterns of usage, relationships between consecutive usage of large numbers of months and other factors, status of all study subjects with respect to the time limit as of each report, characteristics of subjects exhausting the eligibility limit, types of exceptions granted to the 60-month limit, and numbers of cases within each type of exception.~~

~~(13) The study shall track subjects' participation in other public systems, including the public schools, the child welfare system, the criminal justice system, homeless and food services, and others and attempt to identify the positive or negative ripple effects in these systems of welfare policies, systems, and procedures.~~

(f) (Blank). ~~The Department shall cooperate in any appropriate study by an independent expert of the impact upon Illinois resident non citizens of the denial or termination of assistance under the Supplemental Security Income, Food Stamps, TANF, Medicaid, and Title XX social services programs pursuant to the changes enacted in the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The purpose of such a study must be to examine the immediate and long-term effects on this population and on the State of the denial or termination of these forms of~~

~~assistance, including the impact on the individuals, the alternate means they find to obtain support and care, and the impact on state and local spending and human services delivery systems. An appropriate study shall select a statistically valid sample of persons denied or terminated from each type of benefits and attempt to track them until December 31, 2000. Any reports from the study received by the Department shall be made available to the General Assembly and the Governor upon request, and a final report shall be submitted upon completion. These reports shall be available to the public upon request.~~

(Source: P.A. 90-74, eff. 7-8-97.)

(305 ILCS 5/3-2.5 rep.)

(305 ILCS 5/4-17 rep.)

(305 ILCS 5/9-13 rep.)

(305 ILCS 5/9-4 rep.)

(305 ILCS 5/9A-14 rep.)

Section 10. The Illinois Public Aid Code is amended by repealing Sections 3-2.5, 4-17, 9-13, 9-4, and 9A-14.

Section 99. Effective date. This Act takes effect January 1, 2008.